

NOTICE OF PROPOSED RULE AMENDMENT

- The agency identified below in box 1 provides notice of proposed rule change pursuant to Utah Code Section 63G-3-301 and Subsection 53C-1-201(3)(c).
- Please address questions regarding information on this notice to the agency.
- The full text of all rule filings is published in the Utah State Bulletin unless excluded because of space constraints.
- The full text of all rule filings may also be inspected at the Division of Administrative Rules.

Agency Information

1. Agency: Insurance - Administration
 Room no.: 3110
 Building: STATE OFFICE BLDG
 Street address 1: 450 N MAIN ST
 Street address 2:
 City, state, zip: SALT LAKE CITY UT 84114-1201
 Mailing address 1: PO BOX 146901
 Mailing address 2:
 City, state, zip: SALT LAKE CITY UT 84114-6901

Contact person(s):

Name:	Phone:	Fax:	E-mail:
Jilene Whitby	801-538-3803	801-538-3829	jwhitby@utah.gov

(Interested persons may inspect this filing at the above address or at DAR during business hours)

Rule Information

DAR file no: 38823 Date filed: 08/28/2014 01:59 PM
 State Admin Rule Filing Key: 155558
 Utah Admin. Code ref. (R no.): R 590 - 170 - 4
 Changed to Admin. Code ref. (R no.): _ _

Title

2. Title of rule or section (catchline):
 Establishing the Trust Account.

Notice Type

3. Type of notice: Amendment

Rule Purpose

4. Purpose of the rule or reason for the change:
 This rule is being updated to more closely follow the current way trust funds are being established.

Response Information

5. This change is a response to comments by the Administrative Rules Review Committee.
No

Rule Summary

6. Summary of the rule or change:

This rule is being changed to allow the use of a social security number in the establishment of a trust account. Another change allows trust accounts to be identified as a "premium fund account." These changes come at the request of members of the insurance industry.

Aggregate Cost Information

7. Aggregate anticipated cost or savings to:

A) State budget:

Affected: No

The changes to this rule will have no fiscal impact on the department or State budget. The changes will not require licensees to make any special filings or pay additional fees. The changes give licensees more options in setting up trust accounts required by the insurance code.

B) Local government:

Affected: No

The changes to this rule will have no fiscal impact on local governments. It simply provides additional options to insurance licensees in setting up a trust account.

C) Small businesses:

Affected: No

("small business" means a business employing fewer than 50 persons)

The changes to this rule provide additional options to licensees, including the small insurance agencies required to have trust accounts. The changes will provide additional options in the name of their trust account and now the use a social security number or an EIN number in opening the account. Neither of these options will have a fiscal impact.

D) Persons other than small businesses, businesses, or local government entities:

Affected: No

("person" means any individual, partnership, corporation, association, governmental entity, or public or private organization of any character other than an agency)

The changes to this rule provide additional options to insurance licensees; individuals, agencies and companies required to have trust accounts. The changes will provide additional options in the name of their account and the use of a social security number or an EIN number in opening the account. Neither of these options will have a fiscal impact.

Compliance Cost Information

8. Compliance costs for affected persons:

The changes to this rule provide additional options to insurance licensees; individuals, agencies and companies, that are required to have trust accounts. The changes will provide additional options in the name of their account and the option to use a social security number or an EIN number in opening the account. Neither of these options will have a fiscal impact.

Department Head Comments

9. A) Comments by the department head on the fiscal impact the rule may have on businesses:

These changes will have no fiscal impact on licensees. The ability to use a Social Security Number will save a little time for those individuals and agencies previously required to obtain an EIN number.

B) Name and title of department head commenting on the fiscal impacts:

Todd E. Kiser, Insurance Commissioner

Citation Information

10. This rule change is authorized or mandated by state law, and implements or interprets the following state and federal laws.

State code or constitution citations (required) (e.g., Section 63G-3-402; Subsection 63G-3-601(3); Article IV) :

31A-2-201(3)

31A-23a-409

31A-23a-411.1

31A-23a-406

31A-25-305

31A-23a-410

31A-23a-412

Incorporated Materials

11. This rule adds, updates, or removes the following title of materials incorporated by references (a copy of materials incorporated by reference must be submitted to DAR; if none, leave blank) :

Official Title of Materials Incorporated (from title page):

Publisher:

Date Issued:

Issue, or version:

ISBN Number:

ISSN Number:

Cost of Incorporated Reference:

Adds, updates, removes:

Comments

12. The public may submit written or oral comments to the agency identified in box 1. (The public may also request a hearing by submitting a written request to the agency. The agency is required to hold a hearing if it receives requests from ten interested persons or from an association having not fewer than ten members. Additionally, the request must be received by the agency not more than 15 days after the publication of this rule in the Utah State Bulletin. See Section 63G-3-302 and Rule R15-1 for more information.)

A) Comments will be accepted until 5:00 p.m. on (mm/dd/yyyy) :

10/15/2014

B) A public hearing (optional) will be held:

On (mm/dd/yyyy): At (hh:mm AM/PM): At (place):

Proposed Effective Date

13. This rule change may become effective on (mm/dd/yyyy):

10/22/2014

NOTE: The date above is the date on which this rule MAY become effective. It is NOT the effective date. After a minimum of seven days following the date designated in Box 12(A) above, the agency must submit a Notice of Effective Date to the Division of Administrative Rules to make this rule effective. Failure to submit a Notice of Effective Date will result in this rule lapsing and will require the agency to start the rulemaking process over.

Indexing Information

14. Indexing information - keywords (maximum of four, in lower case, except for acronyms (e.g., "GRAMA") or proper nouns (e.g., "Medicaid")):
insurance

File Information

15. Attach an RTF document containing the text of this rule change (filename):

There is a document associated with this rule filing.

To the Agency

Information requested on this form is required by Sections 63G-3-301, 302, 303, and 402. Incomplete forms will be returned to the agency for completion, possibly delaying publication in the Utah State Bulletin, and delaying the first possible effective date.

Agency Authorization

Agency head or designee, and title:

Todd Kiser
Commissioner

Date
(mm/dd/yyyy): 08/28/2014